

*Underground Development.*—During the year the main-haulage heading was extended a distance of 12 chains, making the total distance from the mine-entrance 53 chains. In driving the distance of 12 chains the seam was fairly uniform in grade and thickness, the latter averaging throughout about 7 ft. As the main heading advanced, rise headings were started every chain on the north-west side and driven towards the outcrops.

In driving towards the outcrop a downthrow fault was encountered at a distance of about 5 chains from the main heading. The extent of the downthrow is not known, but from all appearances it is not great, and arrangements will be made later on to cross the fault with the object of winning the coal on the other side.

A dip heading was also driven for a distance of 6 chains and levels worked right and left, but owing to the grade of the dip heading not being uniform, and also the landing at the top not being suitable for delivering the coal on to the main haulage-road, it was decided to stop it, and drive a new one about 3 chains inbye. This new dip heading is now down a distance of 4 chains, and the grade, so far, is fairly uniform.

It is pleasing to report that the mine on the whole is looking well, and the seam, in most of the places, shows a thickness of about 7 ft. of clean coal.

*Surface Works.*—The whole of the buildings and machinery have been maintained in good and efficient repair. During the year a change and bath house, capable of accommodating 128 men, was erected near the mine-entrance, the walls of the building, together with those of the cabinets, being constructed of concrete to a height of 7 ft. The building looks well, and it would not be out of place to say that it is one of the best in the Dominion. The mine weighbridge from the Point Elizabeth Colliery was transferred and re-erected near the mine-entrance, likewise also was the magazine for the storage of explosives. A store for mine requisites was erected near the colliery-siding, and a dam was also constructed for water-supply for the change and bath house. The unscreened portion of the Point Elizabeth Colliery storage bins has been dismantled and is now partly re-erected. When completed the capacity will be approximately 1,000 tons.

*Accidents.*—There were a few minor accidents during the year, but it is gratifying to report that there were not any of a serious nature.

#### GENERAL.

Reviewing the work for the year, it will be seen that there is a substantial increase in the output of coal from both collieries when compared with the previous year. The increased output at the Liverpool Colliery was 18,034 tons 17 cwt., and that of the James Colliery 22,840 tons 9 cwt., making a total of 40,875 tons 6 cwt. There is also a decided increase in the number of working-days and the miners' average daily earnings at the Liverpool Colliery. The number of working-days was increased by forty, and the miners' average daily earnings by 1s. 11-34d. The miners' average daily earnings (net) at the James Mine was lower by 4-63d. than that of the Liverpool Colliery, the former being £1 3s. 2-91d. and the latter £1 3s. 7-54d.

The total amount paid in connection with coal-winning for wages, stores, mine-timber, and compensation at the Liverpool Colliery was £79,177 11s., and at the James Colliery £15,875 13s. 10d., an increase of £9,563 1s. 5d. and £6,040 5s. 5d. respectively over the previous year.

Accompanying are copies of the working-plans of the Liverpool and James Mines workings.

In conclusion, permit me to say that the officers in all branches have performed their duties in a most satisfactory manner, and I am indebted to yourself for valuable assistance rendered in connection with the James Mine agreement, also several other matters in connection with the mines.

I have, &c.,

I. A. JAMES, Superintendent.

The Under-Secretary, Mines Department, Wellington.